



The President's Daily Brief

5 February 1971

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

On *Page 1*, we discuss some recent East German maneuvers regarding the Berlin situation.

The French are expecting to conclude a sale of Mirage aircraft to South Africa. (*Page 2*)

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Communist China's production rate of MIG-19 aircraft has increased. (*Page 4*)

Jarring intends to take a more active role in trying to advance the Middle East negotiations, which he considers at a critical stage. (*Page 4*)

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EAST GERMANY - WEST GERMANY

A front-page editorial in the East German official party newspaper, Neues Deutschland, on 3 February warns that further "misuses" of West Berlin would meet East German resistance. The editorial rejected Western protests over Pankow's interference with traffic last week and blamed "diplomats of some Western powers" for encouraging Bonn's unwanted political activity in West Berlin.

The editorial suggests that Pankow is determined to create further autobahn harassment in response to West German political activity in Berlin. The first test will come tomorrow when the Christian Democratic Party (CDU) holds a political rally in Berlin. On 15 February two events in Berlin--a Socialist Party leadership conference attended by Brandt and a major CDU rally--may bring further East German obstructionism.

* * *

In another development on Berlin, East German Premier Stoph yesterday made public a proposal for direct negotiations of Berlin problems between his government and the West Berlin Senat.

The East German offer ignores and in effect undercuts the four-power talks on Berlin, and removes Bonn entirely from the discussions on the city's access to the West. The proposal is standard East German fare, designed to emphasize that West Berlin is a distinct political entity, entirely separate from both West and East Germany.

The Soviets no doubt have acquiesced in this approach, which Ambassador Abrasimov has advocated at the four-power talks. The Soviets argue that East Germany is a sovereign state and needs no mandate from the four victorious powers to negotiate with either Bonn or the West Berlin Senat, a position that West Germany and the Senat will reject.

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FRANCE - SOUTH AFRICA

In a private conversation with US officials, the French minister in London said that negotiations for the sale of Mirage aircraft to South Africa have been under way for some time. The French were said to anticipate the successful conclusion of the sale but the number, price, and delivery dates have not been finally resolved.

Last November, France agreed to suspend further sales of helicopters and armored cars to South Africa. We had not counted on Paris to extend this embargo to Mirage aircraft, particularly if the price were right. The French may use the growing Soviet interest in the Indian Ocean as the rationale for such a sale, but the potential profits are the main consideration in Paris.

In 1970, French foreign sales of military equipment rose sharply, carrying France to a level of about \$1.3 billion. The sale of aeronautical equipment, including aircraft and missiles of all types, accounted for \$940 million or nearly three fourths of the total.

A French sale could have some impact on the debate in Britain over Prime Minister Heath's proposal to sell arms to South Africa, and could aid him in overcoming domestic opposition to such sales. Heath probably will not announce any decision on sales during the next several months while a newly appointed Commonwealth study group examines the issue.

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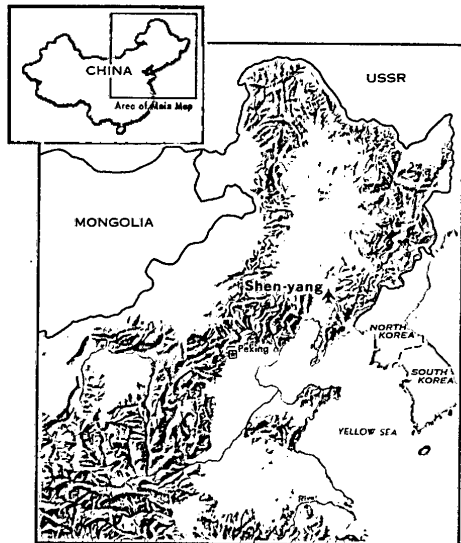
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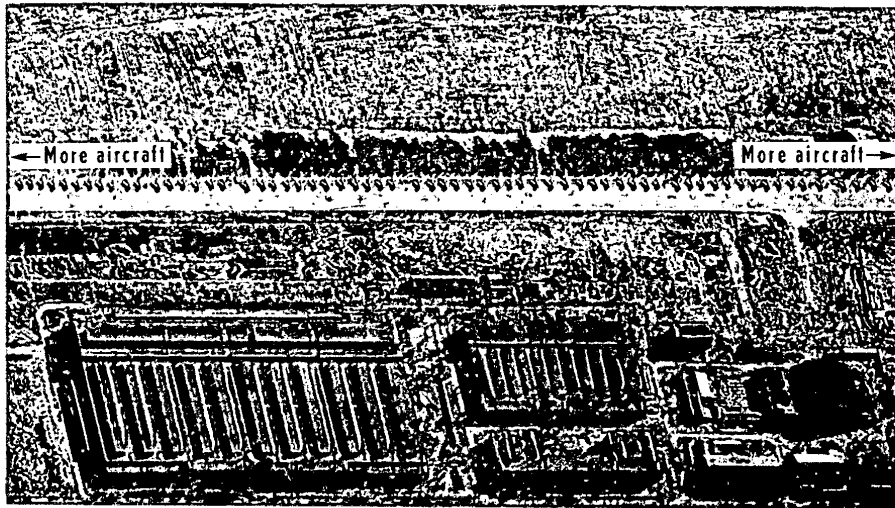


A portion of the MIG-19s seen
at Shen-yang airframe plant

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NOTES

Communist China: The latest satellite photography indicates that the production rate of MIG-19 jet fighters has increased considerably in the past several months. At China's only MIG-19 production facility, the Shen-yang airframe plant in Manchuria, the photography shows 204 aircraft compared with about 115 in early December. Not all of the aircraft seen on either occasion were necessarily newly produced; some may have been returned for overhaul or modification. The photography [] suggest a current production rate of some 35 aircraft per month compared to 25 per month in early 1970.

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Middle East: With the extension of the ceasefire, Jarring now plans to offer both Middle East parties his own ideas on a settlement and to request a Big Four statement on the question of guarantees. Jarring realizes that this would be contrary to Israel's view that he should play only a limited role and that his mission might be paralyzed, but he believes that the present moment is critical. Jarring has told Ambassador Yost he believes there must be a forthcoming Israeli statement on withdrawal and that this should be made no later than 14 February when the Israeli cabinet meets.

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